



IN REPLY REFER TO

DEFENSE CONTRACT AUDIT AGENCY
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FORT BELVOIR, VA 22060-6219

PIC 730.5.35.1

May 2, 2017
17-PIC-005(R)

**MEMORANDUM FOR REGIONAL DIRECTORS, DCAA
CORPORATE AUDIT DIRECTORS, DCAA
ASSISTANT DIRECTORS, HQ, DCAA**

SUBJECT: Audit Alert Regarding NASA's Participation in DCAA's Risk-Based Sampling Process for Incurred Cost Proposals

FY 2017 NASA Audits

Effective immediately, NASA will no longer accept low-risk determinations issued by DCAA on contractors where the preponderance of the work relates to NASA contracts. Therefore, please ensure that the Field Audit Offices cease issuing low-risk determinations on behalf of NASA for these contractors.

For authorized audits where NASA does not have the preponderance of the work, audit teams must coordinate with NASA, as part of the low-risk determination process, to determine whether any issues/concerns exist on NASA contracts before issuing the low-risk determination. Auditors shall follow up this conversation with NASA utilizing the e-mail address: nasa-price-analysts@lists.hq.nasa.gov.

Questions and Further Information

As a reminder, we should not be performing NASA audits unless specifically approved by NASA (see MRD 16-OAL-019(R)). Guidance pertaining to future NASA audits will be forthcoming. FAO personnel with questions on this subject should contact regional personnel. Regional personnel with questions should contact Policy Incurred Cost Division at (703) 767-2270 or e-mail at DCAA-PIC@dcaa.mil.

/Signed/
Jennifer L. Quinones
Deputy Assistant Director, Policy and Plans

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